

May 31, 2005



The Honorable J. Dennis Hastert  
Speaker  
H-232 The Capitol  
Washington, D.C. 20515

The Honorable Nancy Pelosi  
Democratic Leader  
H-204 The Capitol  
Washington, D.C. 20515

Dear Mr. Speaker and Madam Leader:

I am writing in strong support of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA).

As a global company, among the conditions that allow Merck to be successful are access to free and open markets, respect for property rights and rule of law and efficient and transparent regulatory systems. We believe that the multilateral and bilateral trade agreements negotiated by the United States are critical to realizing these policy changes in our trading partners. That is why Merck has always supported such agreements, including the North American Free Trade Agreement (NAFTA), the Uruguay Round of trade negotiations which led to the creation of the World Trade Organization (WTO) and Free Trade Agreements with Australia, Chile, Morocco and Singapore.

We see the DR-CAFTA as continuing the movement towards freer trade and internal market reforms in the region, and therefore strongly back swift Congressional ratification. This is a significant trade agreement with our second largest (after Mexico) export market in Latin America. It will bring tangible economic benefits to all parties which will favorably position a growing Western Hemisphere trading block to compete in the global market. Among these are ensuring that the access to the U.S. market currently enjoyed by the DR-CAFTA countries becomes permanent and formal. Further, the agreement will over time allow our exports to enter the region with significantly lower duties.

Perhaps more important, remembering the recent history of the countries of Central America, is the opportunity to recognize and reward the efforts of the people of Central America to overcome their troubled past and embrace democracy. The economic progress which will flow from the DR-CAFTA will bring with it stability and security and a clear pathway to a better quality of life. Another positive result of the DR-CAFTA is improved intellectual property protection which is vital to innovation. Some have argued that improved intellectual property protection means less access to medicines. This is a myth. In fact, nothing in the DR-CAFTA will have any impact on products



Page 2

The Honorable J. Dennis Hastert

The Honorable Nancy Pelosi

5/31/05

already on the market. Moreover, evidence from other countries which have approved intellectual property protection shows that such approval encourages companies to launch their newest products more quickly, thus accelerating, not decreasing, access. In the case of protection of data used to prove safety and efficacy and thereby qualify a product for marketing approval, the recent experience in Colombia and Guatemala shows that only a tiny percentage of products ever get such protection and that it is limited to five years. In no case does such protection extend the life of a patent. Finally, the DR-CAFTA expressly states that nothing in the intellectual property chapter decreases a country's ability to protect public health.

There are many reasons to support the DR-CAFTA: some related to economics, some to political stability and democratic reform, some to trade policy. Together they make a compelling case that the DR-CAFTA is important to Merck and to the future of each of the countries whose leaders have enthusiastically signed it and campaigned for its ratification. I hope you and your colleagues will agree and cast your vote for the DR-CAFTA.

Sincerely,

A handwritten signature in dark ink, appearing to read "D. Hastert", written in a cursive style.